

ORDINARY COUNCIL MINUTES

EMNAMBITHI/LADYSMITH MUNICIPALITY

COUNCIL

**MINUTES OF AN ORDINARY MEETING OF THE EMNAMBITHI/LADYSMITH COUNCIL
HELD IN THE TOWN HALL BUILDING, MURCHISON STREET, LADYSMITH ON
THURSDAY, 28 JANUARY 2010 AT 15:00** (MM)

PRESENT

As per the attached attendance register.

LEAVE OF ABSENCE

Councillors	M	Mtshali	- Written
	G S L	Mokoena	- Verbal
	L	Chetty	- Written
	M R	Sudabby	- Written
	Z J	Dlaedwa	- Written
	T T	Muller	- Written
	B D	Jubber	- Written

ABSENT

Councillors N T Gumbi

STAFF

Messrs	N J	Mdakane	-	Municipal Manager
	R G	Reddy	-	Executive Manager: Governance & Transformation
	M P	Khathide	-	Executive Manager: Economic Development
	H A	Van Zyl	-	Manager Corporate Services
	S D	Sibande	-	Manager Performance Management
	B	Bell	-	Assistant Manager Electrical Engineering Services
	M V	Radebe	-	Assistant Manager Engineering Services
Ms	P S	Mntaka	-	Senior Legal Advisor

LEGEND

A Items : BLUE : items considered by Exco and referred to Council
C Items : GREEN : confidential matters considered by Exco and referred to Council

1. NOTICE CONVENING THE MEETING

READ

2. ELECTION OF ACTING SPEAKER FOR THE MEETING

Withdrawn

3. MOMENT OF SILENCE

Councillor B S E Cebekhulu offered prayer.

4. CREDENTIALS

In terms of the attendance register and credentials, it was found that the following councillors were present and had signed the attendance register:

ANC	-	25
IFP	-	9
DA	-	3
NADECO	-	1
MINORITY FRONT	-	1
ACDP	-	Nil

RESOLVED

That the meeting be convened as the required quorum had been met.

5. LEAVE OF ABSENCE

Written applications for leave of absence for Councillors M Mtshali, L Chetty, M R Suddaby, Z J Dlaedwa, T T Muller and B D Jubber.

Verbal apologies were tendered on behalf of Councillors G S L Mokoena.

RESOLVED

That leave of absence be granted to Councillors Councillors M Mtshali, L Chetty, M R Suddaby, Z J Dlaedwa, T T Muller and B D Jubber and Councillors N T Gumbi and G L S Mokoena ensure that application for leave of absence in writing is submitted to the Office of Executive Manager: Governance and Transformation, within seven days after this meeting.

6. MOTIONS OF CONDOLENCES

Nil

7. CONFIRMATION OF MINUTES:
ORDINARY MEETING HELD ON

5. 5.1 MATTERS CONSIDERED BY EXCO AND REFERRED TO COUNCIL

5.1.1 SPECIAL EXCO MEETING HELD ON 5 JANUARY 2010

ITEM A 1

LC1/1/2010 (of meeting 28/01/10)

SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) MID-YEAR REPORT – 2009/2010 : (PERFORMANCE MANAGEMENT SYSTEM)

"Councillor G S Nkosi joined at this stage of proceeding."

ITEM A 1 OF 28/01/10 RESOLVED

1. That the contents of the Service Delivery Budget Implementation Plan Mid-year report for 2009/2010 be noted.
2. That, in future, all Chairpersons of the Portfolio Committees present reports to EXCO meeting on the functioning of their committees.

For : 41

Against : Nil
A:EMF(CFO)

ITEM A 2

LC2/1/2010 (of meeting 28/01/10)

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA) / MUNICIPAL SYSTEMS ACT (MSA): 2008/2009 ANNUAL REPORT : (PERFORMANCE MANAGEMENT SYSTEM)

"Councillor A M Hadebe joined at this stage of proceeding"

ITEM A 2 OF 28/01/10 RESOLVED

1. That the contents of the Municipal Finance Management Act (MFMA) / Municipal Systems Act (MSA) 2008/2009 Annual Report be approved.

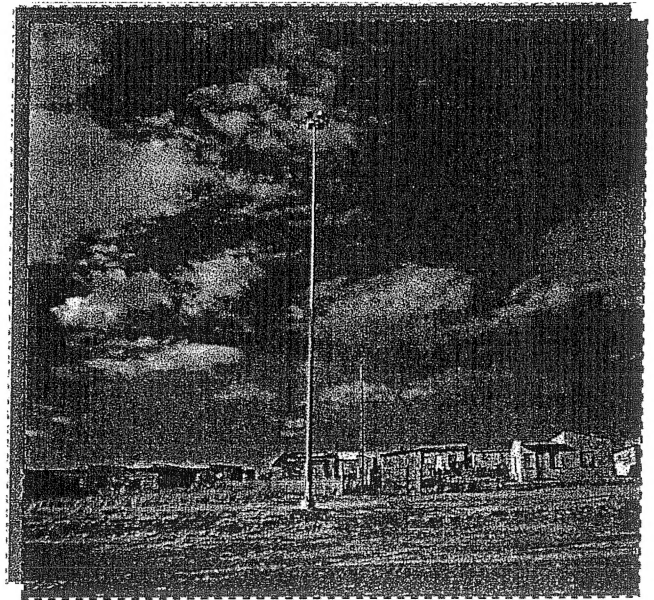
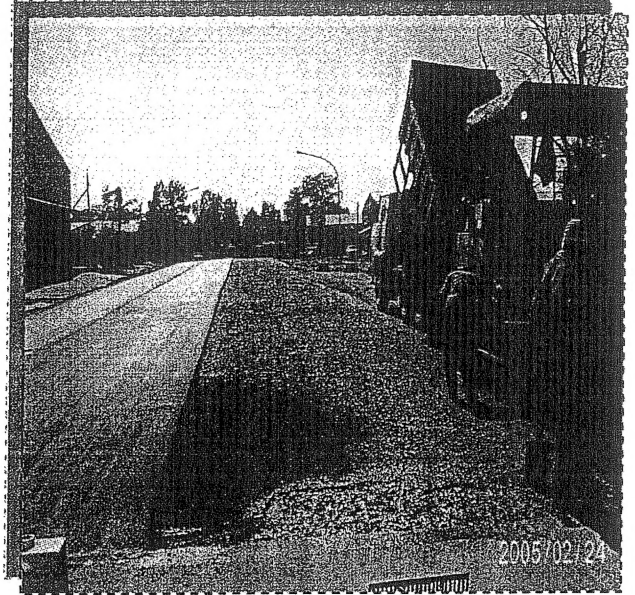
FURTHER RESOLVED

2. That the In-service student salary be increased to R50-00 per day as from 1 February 2010.

For : 32

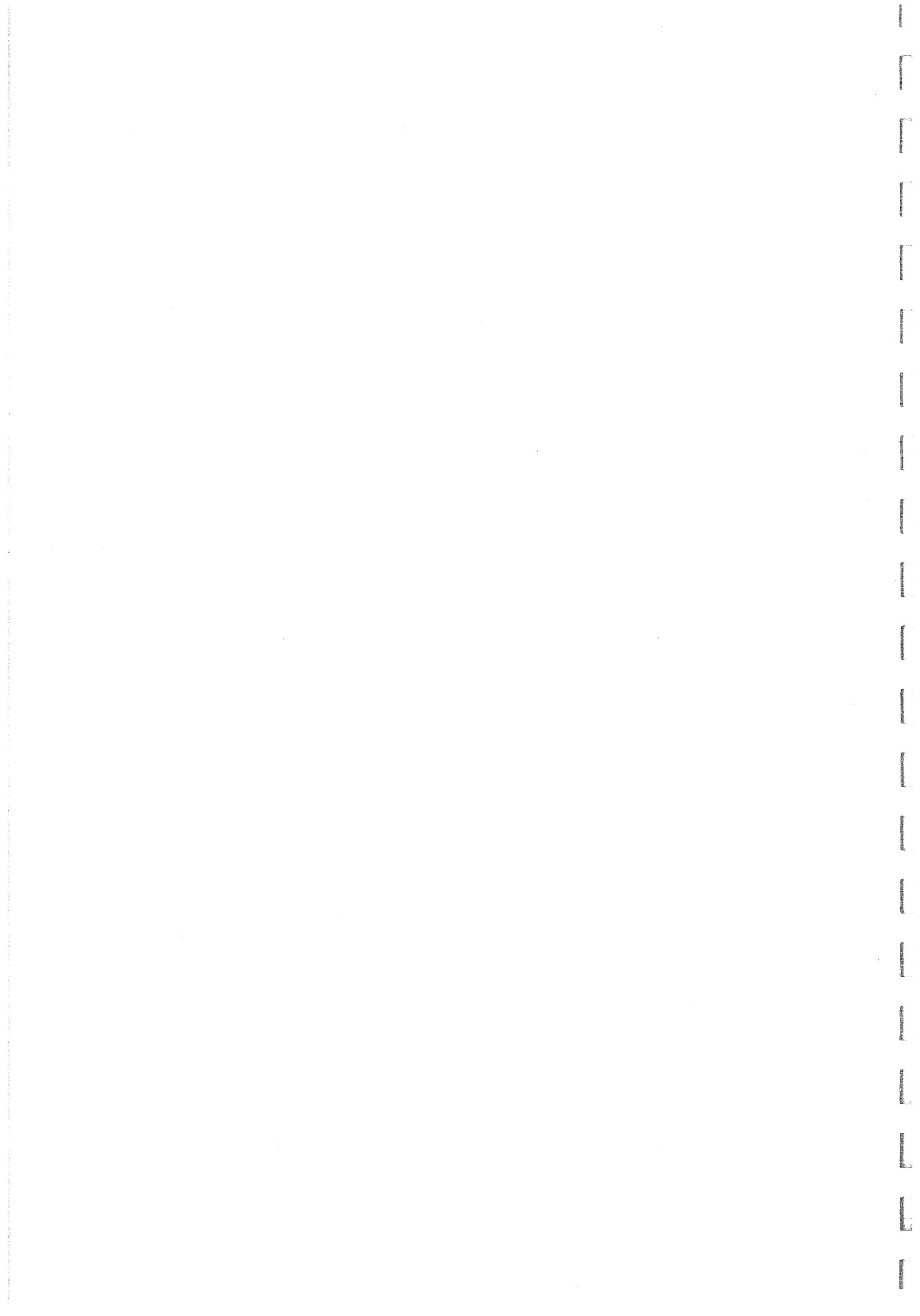
Against: 10

EMNAMBITHI-LADYSMITH MUNICIPALITY



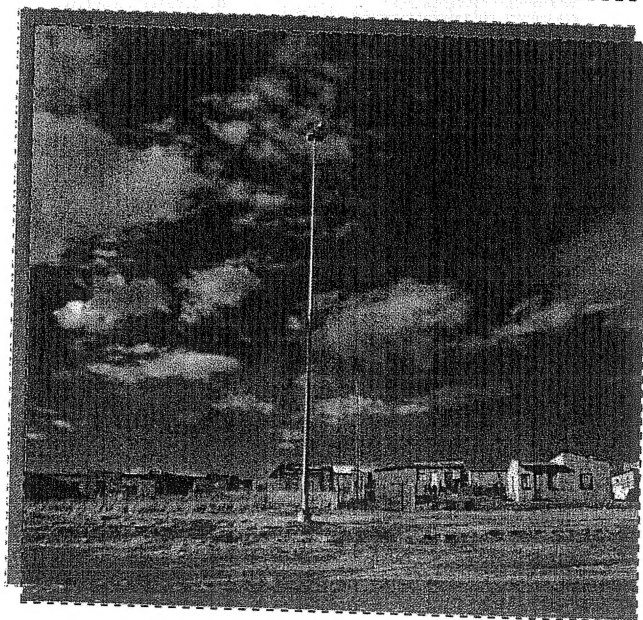
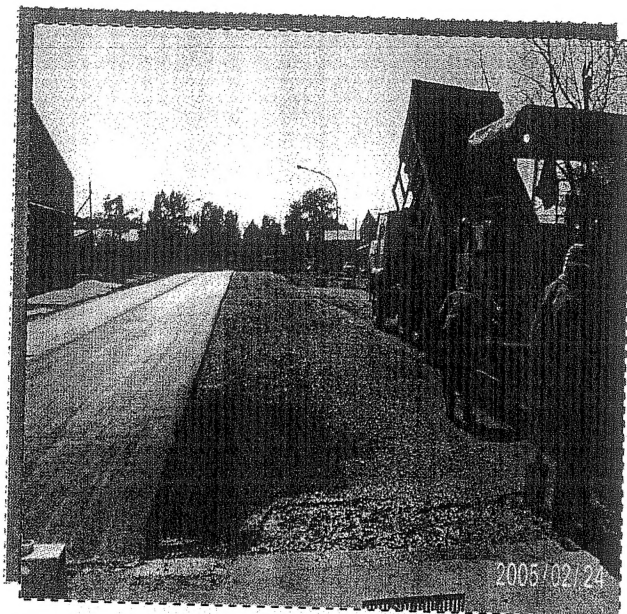
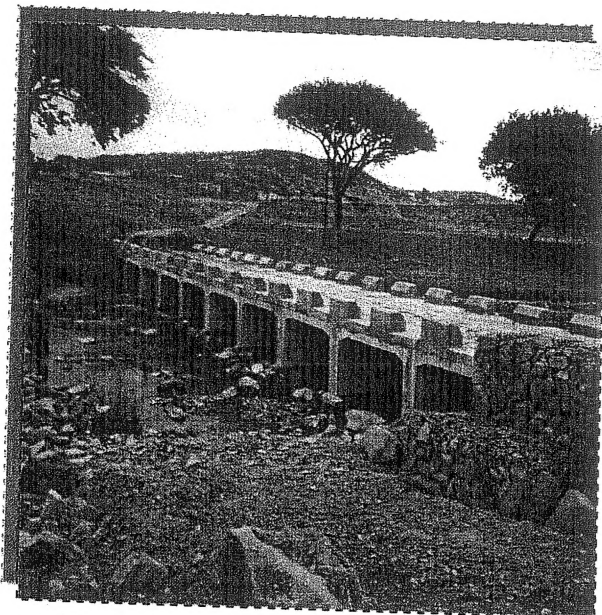
ANNUAL REPORT

ENDING 30TH JUNE 2009



EMNAMBITHI-LADYSMITH

MUNICIPALITY



ANNUAL REPORT

ENDING 30TH JUNE 2009

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ATTACHMENT A: FINANCIAL STATEMENT 2008-2009

CHAPTER 01

1.1 MAYORAL FOREWORD

Inspired by our collective desire to achieve the total transformation of our society, it is a great pleasure to present the 2008-2009 Annual Report. Guided by the National Strategic Agenda on service delivery and the Millennium Goals we have as council made massive strides under circumstances where resources dictates our cause of action.

Over the last few years we have been able to achieve unprecedented progress as outline in the Five National Key Performance Indicators, thus including Basic Service Delivery, Financial Viability, Local Economic Development, Institutional Transformation and Good Governance and Public Participation.

The provision of basic services to our communities had form the basic our current mandate and an ultimate priority for our focus. The period between 2008-2009 brought about the completion of the acceleration in the electrification of the following areas: Ntombi's Camp, Area 'J' and Area 'C' and the strengthening of the Umbulwane MV Backbone upgrade project. The provision of free basic electricity has been provided to all indigent households, hence, we have automatically declared every property to the value equivalent to an RDP house with a provision of free basic electricity.

The collection of refuse has been improved in all areas where the Municipality deems responsible. We have procured plants and vehicles exceeding the total value of R10 000 000 to address waste management challenges. Heavy vehicles were purchased to replace the retired and absolute vehicles we had been using for the last 20 years or so. The responsibility and function of collection of refuse at Ezakheni areas has been returned to the Municipality and thus brought about resounding improvements.

The Siyazenzela project launched last year in partnership with the Provincial Department of Transport has brought about an extension of waste management services into rural areas. The flagship project has further led to poverty alleviation by providing an stipends to a number of poor families in our municipality.

The construction of access roads and tiring of roads in the township remains one of our immediate flagship projects. We constructed more than 30km of new roads in the rural wards and tiring of township areas to be accelerated further in the current financial year. The Municipality has also spent more than R20 million in the last three years towards the procurement of heavy plants and equipments to enhance public works projects in the Municipality. Most of the current projects have been undertaken using our own funding (in-house capital) contrary to the projected loan budgeted funding as adopted by council so far.

The period 2008-2009 has been one of the most challenging era in the economy of our times. The Global economic meltdown has to a large extend had an impact in terms of job losses as well as our regional contribution towards the Provincial Growth Domestic Product. The withdrawal of international investment from our shores has led to an escalation in joblessness and dwindling revenue in rates and electricity income in our Municipality.

We have made inroads ins-pite of global economic challenges been able to attract investors towards our untapped local commercial developments. These has brought about a viable conclusion of multimillion commercial development projects, firstly, the well anticipated Helpmekaar (N11 corridor) commercial development, Ezakheni Commercial development and the Aerodrome Eco-Estate and commercial development. We hope that a realization of one of the three developments would certainly bring about much needed facelift in our local economic landscape.

Indeed, we are not immune from the number of challenges facing Municipalities in our country today. Our endeavours to achieve our strategic goals, has had its share of challenges. Those challenges can only be addressed if we work together driven by a collective desire inspired to improve the lives of our people. This includes the acceleration of housing development, electrification of rural areas, Job creation and speeding the construction of community infrastructure, including roads and basic community facilities such as clinics. The provision of adequate water and sanitation by the Uthukela district remain the biggest hurdle, thus proving to have a negative bearing towards good governance and service delivery in our municipality.

The recently developed ward profile document would further assist us in identifying areas where are in need of urgent attention. There 2010-2011 budget shall began to align word profile to the Integrated Development Plan (IDP) and the correct allocation of budget to meet the demands of our people. The involvement of sector departments is critical in addressing service delivery backlogs in our municipality.

We are confident that we shall approach the 2009-2010 financial year with vigour and confident. We shall continue with efforts aimed at engaging maximum participation public participation through the Annual State of the Municipal Address, IDP forums and other public engagements. The alignment of Batho Pele Principles and Citizen Commitment Charter remains priority in our agenda, every employee and councillor must espouse and reflect care, patience and resilient in fulfilling our mandate.

Our sincere thanks goes to all our communities, hard working councillors, our enthusiastic and committed officials for what they have done during the 2008-2009 financial year.

I hope you find the report worthwhile in improving our quest for ultimate service delivery. Together We Can Do More.



Cllr. D.C.P Mazibuko
Her worship, the Mayor.

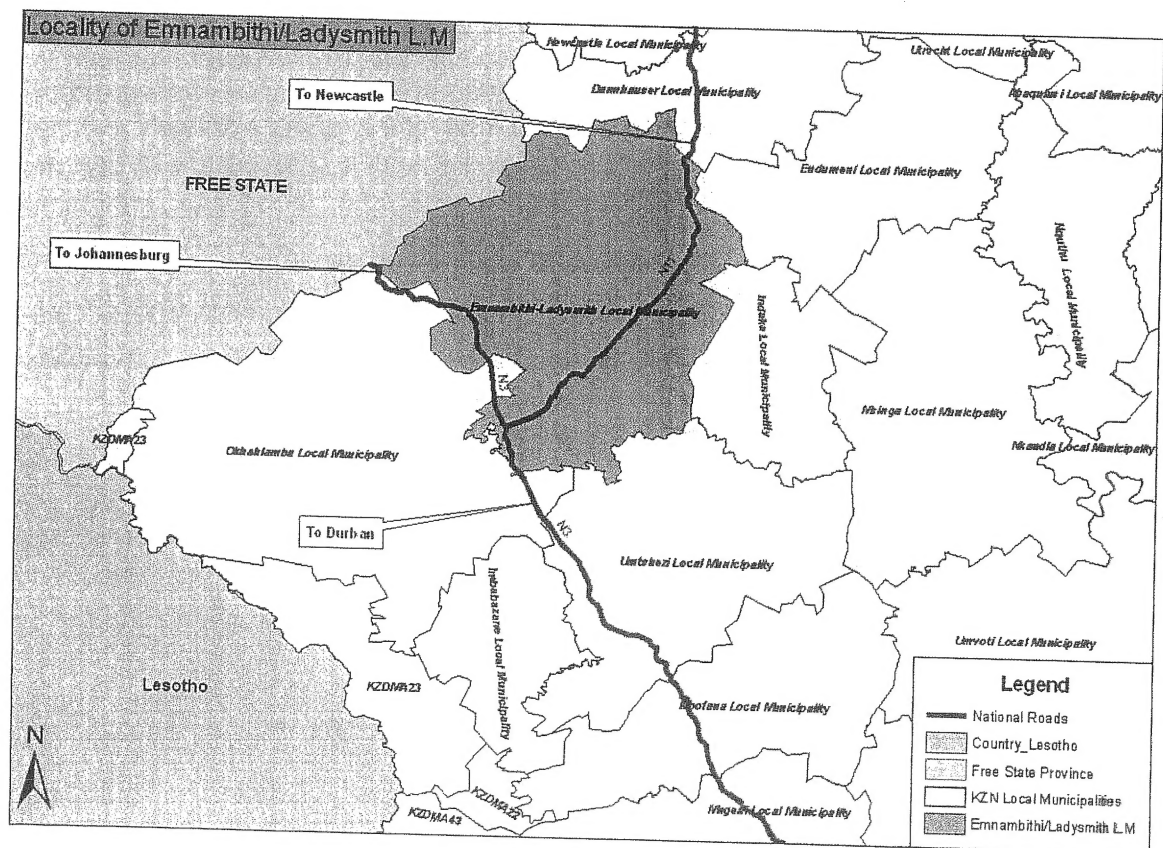
1.2 OVERVIEW OF THE MUNICIPALITY

The Emnambithi/Ladysmith Municipality established on 5 December 2000 comprises an area of approximately 3000 km² and falls within the Uthukela District Municipality.

Ladysmith is the main administration and business centre of the Municipality, and is located just off the N3, 3 ½ hours south east of Johannesburg and 2 ½ hours north west of Durban.

The population and demographic profile information is provided under General Information in Chapter 5 on page 16 of this report. The demographic information is drawn from the 2001 Census figures compiled by Statistics South Africa.

The recent proposed ward delimitation process by the demarcation Board has proposed an additional two wards thus increasing the total number of wards from 25 to 27 by the next Local Government Elections. Thus is an indication that our Municipality is growing.



1.3 EXECUTIVE SUMMARY

PURPOSE STATEMENT

"The purpose of the Emnambithi/Ladysmith Municipality is to provide a well serviced, safe, healthy and economically viable environment that enables all residents to take action so that all communities enjoy a high quality of life"

This purpose statement has formed an integral part of all activities undertaken within the Municipality. All major programmes and priority projects are aligned to the purpose statement.

VISION

"By 2021, Emnambithi/Ladysmith will be KZN's vibrant, industrial, commercial, trade and tourism inter-link, where all residents enjoy a prosperous, caring, safe and secure environment which promotes cultural diversity "

The current vision and the mission statement of Emnambithi /Local Municipality place emphasis on providing the local communities with quality services that will contribute in improving their quality of life. This is also linked to the type of projects that the Municipality has identified for the 2008/9 financial year. In order for the Municipality to realize the aims and objectives embodied in the above mentioned vision and mission statement, it has put emphasis on partnerships that would attract investors to provide support on local economic development projects, tourism, infrastructure development and other development projects that place great emphasis on the principles of Accelerated Shared Growth and Development in South Africa as well as the Expanded Public Works Programme.

The municipality's main goal is to improve the quality of life of the people through provision of free basics services and increasing the delivery of services provided by the Municipality.

The key priority areas of the Municipality are:

- Housing
- Solid Waste Management
- Health Management
- Roads
- Spatial Planning
- Community Facilities
- Safety and Security
- Electricity
- Economic Growth
- Poverty Alleviation
- Job Creation
- Financial Management and Viability
- Organisational Design
- Employment Equity
- Skills Development
- Integrated Development Planning
- Performance Management
- Public Participation
- Ward Systems
- Corporate Governance

CHAPTER 02

INTRODUCTION TO THE ANNUAL REPORT

The promulgation of the Municipal Finance Management Act (MFMA) marked the completion of the transformation of the local government sphere at the legislative level. The Act was designed with the intention of modernising budgeting and financial management, while concurrently promoting transparency and accountability in municipal finance.

The Municipal Systems Act (as amended) (MSysA) requires municipalities to prepare annual performance reports, based on the approved Integrated Development Plan. The MFMA and MSysA, read together, seek to promote financial and performance reporting by municipalities in a single and integrated annual report. The annual report is also an instrument for financial and performance corrective action in subsequent years.

The rigorous requirement for preparation and adoption of financial statements, performance reports and the annual report as a whole is intended to enhance transparency, accountability and good governance.

In terms of section 121(1) of the MFMA, every municipality and municipal entity must prepare an annual report for each financial year. The purpose of an annual report, pursuant to section 121(2), is to provide a record of activities, report on performance against the budget and promote accountability to the local community for the decisions made throughout the year.

Table 1.1 Legislative requirements in terms of MFMA

Section	Requirement	Legislative Provision	Legislative Compliance
121(3)(a)	Annual financial statements of the municipality	Annual Financial Statements of the municipality	Yes Chapter
121(3)(b)	Auditor-General's audit report	Auditor-General's audit report in terms of S 126(3) on those financial statements	Yes
121(3)(c)	Annual performance report	Annual performance report of the municipality prepared by the municipality in terms of S 46 of the Municipal Systems Act	Yes
121(3)(d)	Auditor-General's audit report	Auditor-General's audit report in terms of performance audit section 45(b) of the Municipal Systems Act	Yes

121(3)(e)	Accounting Officer's assessment on arrears	Assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges	Yes
121(3)(f)	Accounting Officer's assessment of performance on each vote in the budget	Assessment by the municipality's accounting officer of the municipality's performance against performance on the measurable performance objectives referred to in section 17(3)(b) for each vote in the municipality's approved budget for the relevant financial year	Yes
121(3)(g)	Audit corrective actions	Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d)	Yes Chapter 4
121(3)(h)	Explanations to clarify financial statements	Explanations that may be necessary to clarify issues in connection with the financial statements	Yes
121(3)(i)	Other information	Information as determined by the municipality	Yes
121(3)(j)	Audit Committee Recommendations	Recommendations of the municipality's Audit Performance Committee	Yes
121(3)(k)	Other prescribed information	Other information as may be prescribed	N/a

Section 46(1) of the MSysA requires municipalities to prepare a performance report for each financial year setting out the performance of the municipality and external service providers, comparison of the performance with the targets set for and performances in the previous financial year and measures taken to improve performance. As shown above, the annual performance report must form part of the Annual Report. A high priority for 2008/2009 is compliance with Chapter 6 of the MSysA (including S46) by developing and implementing a Performance Management System for the Municipality.

The process for the adoption of the Emnambithi/Ladysmith Municipality's 2008/09 Annual Report is that it should be prepared in accordance with chapter 12 where possible and should contain information required by section 121. The Council is required to deal with the annual report within nine months after the end of the financial year, which is before 31 March 2010. This includes the adoption of an oversight report in accordance with S 129 (1) of the MFMA containing Council's comments on the Annual Report.

PERFORMANCE HIGHLIGHTS 2008-2009

INTRODUCTION

The Annual Performance Report of the Emnambithi-Ladysmith Municipality is tabled in terms of section 121 of the Municipal Finance Management act, 55 of 2003 and section 46 of the Municipal Systems Act, 2000 as amended.

BACKGROUND

The purpose of an Annual Performance Report is to provide a record of the activities of the municipality, report on performance against the budget and promote accountability to the local community for the decisions made throughout the year.

Key legislative elements of the Annual Performance Report include as requested by the Auditor-general:

- The annual performance report of the municipality (S 46 MSyA) and Auditor-General's audit report on performance (S 45 (b) M SyA)
- An assessment by the Accounting Officer of the performance against the measurable performance objectives (S 17 (3) (b) MFMA)
- Details of corrective action taken or to be taken in response to issues raised in the audit reports

Section 46 of the Municipal Systems Act stipulates that -

"A municipality must prepare for each financial year a performance report reflecting –

- The performance of the municipality and of each external service provider during that financial year:
- A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year: and
- Measures taken to improve performance
- An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Financial Management Act."

The Municipal Performance Report mainly reflect on the performance of each department against set Key Objectives, Key Performance Areas and Annual Targets. The Municipal Performance Management Systems of the Municipality mainly consist of different tools for assessment and reporting.

The assessment and reporting of evaluation is based on the following areas:

- Municipal Performance Management Policy Framework which was adopted by council in 2008.
- The Service Delivery Budget Implementation Plan (SDBIP), which provides quarterly reports and are submitted to Exco
- Mid-year Performance report, informed by the evaluation of the section 57 employees and the head of departments
- Performance Report is developed to give credence against set performance targets and measures to improve performance
- Lastly, the annual report is developed as means to provide a holistic picture on the administrative, Human Resource and Financial position of the municipality.

ANNUAL PERFORMANCE PROCESS PLAN

The report further gives palpable progress about each department's performance for the period under review. The performance evaluation of each department is informed by the Departmental Score Card. The performance evaluation committee had conducted a performance of all heads of departments.

The Performance Management System Policy Framework makes provision for the auditing of performance by the Performance Audit Committee. The Performance Audit committee with the assistance of internal audit unit have undertaken a number of projects whereby departments have to provide evidence and give explanation for performance below par.

NATIONAL KEY PERFORMANCE INDICATORS

The Municipal report on National Key Performance Areas as reflected below shall provide a summary report on individual KPA performance:

Seq	KEY PERFORMANCE AREAS	ANNUAL TARGET	DEPARTMENT	ACHEIVEMENT	CORRECTIVE MEASURES
1	The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.	90% (Average)			
1.1	Electricity***	90%	ELECTRICITY	85%	Most of the remaining areas are under the service of ESKOM
1.2	Solid Waste Removal**	95%	ECONOMIC DEVELOPMENT	90%	Rural areas remain a challenge
2	The percentage of households earning less than R2100 per month with access to free basic services Electricity and solid waste management.	90% (Average)			
2.1	Electricity	90%	ELECTRICITY	24%	Eskom did not provide automatic indigent since the Municipality approved indigent by application
2.2	Waste Management	90%	ECONOMIC DEVELOPMENT		
3	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.	100%	FINANCE	100%	All grants have been committed
4	The number of jobs created through municipality's local economic development initiatives including capital projects.	200 JOBS	ECONOMIC DEVELOPMENT	+100 jobs	The global economic meltdown had an effect in future Local Economic Development ventures

Seq	KEY PERFORMANCE AREAS	ANNUAL TARGET	DEPARTMENT	ACHEIVEMENT	CORRECTIVE MEASURES
5	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.	85%	CORPORATE SERVICE	$\frac{12}{20} = 60\%$	Continually focus on targeted recruitment of designated candidates
6	The percentage of a municipality's budget actually spent on implementing its workplace skills plan.	90%	CORPORATE SERIVCES	70%	Increase number of annual training interventions
7	$A = \frac{B - C}{D}$ <p>Where: "A" represents debt coverage "B" represents total operating revenue received "C" represents operating grants "D" represents debt service payments (i.e. interest redemption) due within the financial year.</p>	Determine s the ability to service own debt <u>Target:</u> A ration greater than 1 preferred	FINANCE	R340 212974- (R58964725 + R31809766) (R1724829+R1411064) = 79.54	N/A
	$A = \frac{B - C}{D}$ <p>Where: "A" represent Liquidity position "B" represent total current Assets "C" self supporting loans "D" current liabilities</p>	Determine s the ability to meet short-term financial obligations: <u>Target:</u> A ratio greater than 1 is preferred	FINANCE	R146 347293- R18210448 R148513921- R1541288- R40735912 = 1.20	N/A

Seq	KEY PERFORMANCE AREAS	ANNUAL TARGET	DEPARTMENT	ACHEIVEMENT	CORRECTIVE MEASURES
	$A = \frac{B}{C}$ <p>Where: "A" represents outstanding services debtors to revenue "B" represents total Outstanding Service Debtors/Total borrowing "C" represents annual Revenue Actually received for services</p>	<p>The ratio is a measure of ability to service debt in any given year.</p> <p>Target:</p> <p>A ratio less than 0.6:1 is desirable</p>	FINANCE	$\frac{R20206458}{R168351847}$ $= 0.12$	N/A
	$A = \frac{B + C}{D}$ <p>Where: "A" represents cost coverage "B" represents all available cash at a particular time "C" represents investments "D" represents monthly fixed operating expenditure</p>		FINANCE	$\frac{(R81886852 + R19537568 - R48335129)}{R16\ 000\ 000}$ $= 3.31$	N/A

MUNICIPAL FINANCIAL PERFORMANCE:
THREE YEAR ANALYSIS

THE REPORT IN TERMS OF AG/MUNICIPAL REPORT

R' 000	07	08	09
OPER. INCOME			
RATES	R 86 463	R 94 114	R 87 889
SERVICES CHARGES	R 93 827	R 100 378	R 119 883
OPER. GRANTS	R 41 484	R 45 505	R 60 703
OTHER	R 22 262	R 24 042	R 37 032
TOTAL	R 244 036	R 264 039	R 305 498
OPER. EXPENDITURE			
EMPLOY. COSTS	R -64 693	R -73 455	R -80 200
COUNCILLOR. SALARIES	R -8 192	R -9 005	R -9 893
BULK PURCHASES	R -50 541	R -51 566	R -66 565
INTERESTS PAID	R -2 515	R -2 057	R -1 748
DEPRECIATION	R -17 506	R -20 482	R -18 240
OTHER	R -94 019	R -102 934	R -101 437
TOTAL	R -237 466	R -259 499	R -278 083
SURPLUS/DEFICIT	R 6 570	R 4 540	R 27 415

The above figures exclude income and expenditure for low cost housing as reflected below as reflected in the notes of the AFS.

The amount on low costs housing for the three periods is as follows:

GRANT	07	08	09
HOUSING	R 31 909 552	R 32 657 489	R 31 809 766

Areas for noting:

1. The Municipality's success to operate without an overdraft for the last three years Rather corded a surplus
2. Rates between 2008/2009 has decreased due to implementation of the MPRA
3. 90% plus record expenditure in MIG and other grants
4. Nil report on fruitless expenditure or mismanagement of funds by the Auditor-General
5. Did not reflect a negative report on the organization as a going-concern
6. Expenditure on low-cost housing remains a challenge.

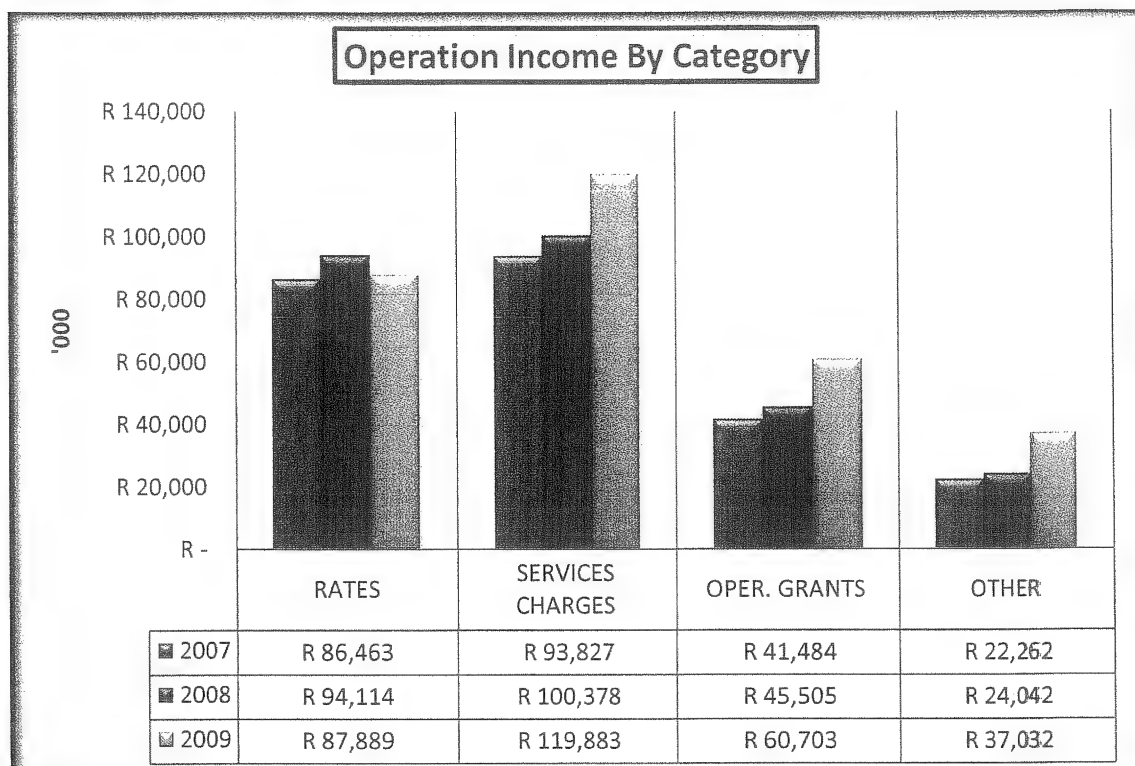


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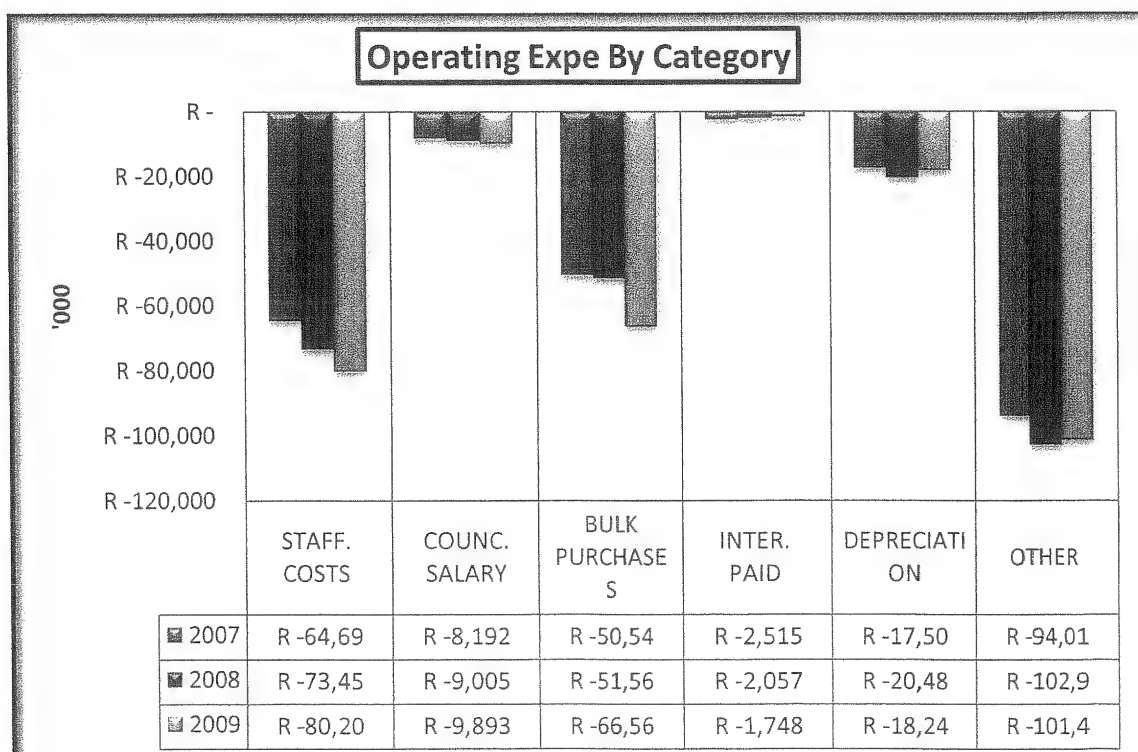


Table: 2

CHAPTER 03

HUMAN RESOURCES

Overview

Human resources performs both line and staff functions which support and give direction to other departments regarding human resources. It incorporates Human Resource Provisioning comprising HR planning, recruitment, selection and induction as well as HR maintenance which comprises benefit structures, record keeping, turnover, advisory services, social responsibility, affirmative action and employment equity, health and safety, skills development, settlement of disputes (grievances and discipline), training, education and career management.

PERSONNEL EXPENDITURE

	2006/2007	2007/2008	2008/2009
	R	R	R
Salaries & Allowance	54 670 286	59 807 157	64 799 072
Overtime and Standby	4 220 316	3 956 215	6 645 434
Job Creation	3 748 904	5 355 335	6 887 340
Pension	8 625 822	9 536 714	9 936 179
Medical Aid	3 824 400	4 138 407	3 268 013
U.I.F.	551 083	591 412	645 678
Group Life	83 881	83 298	68 596
Councillors Allowances	8 191 754	9 005 163	9 89 2996
TOTAL	83 916 446	92 473 701	102 143 308

HUMAN RESOURCES AND OTHER ORGANISATIONAL MANAGEMENT

Departments	Permanent Posts	Vacant Posts	Total Posts
Executive and Council	50	-	50
Municipal Manager's Office	19	5	24
Finance department	63	11	74
Corporate Services	66	2	68
Economic Development and Planning	153	4	157
Governance and Transformation	110	7	117
Public Safety	85	11	96
Engineering Services	84	55	139
Electricity	80	14	94
TOTAL	710	109	819

SKILLS AND LEVEL OF EDUCATION ATTAINED I.R.O TRAINING IMPLEMENTED

Councillors, Senior Officials and Managers

No.	Skills Development Training	No.	Level Of Education Attained
1.	Asset Management Course	6	NQF 6
2.	CGCFS	2	NQF 6
3.	Disciplinary Enquiries	12	NQF 3
4.	Statistical Capacity Building	3	NQF 5

Professionals

No.	Skills Development Training	No.	Level Of Education Attained
1.	Asset Management Course	4	NQF 6
2.	Computer Training	2	NQF 3
3.	Disciplinary Enquiries	5	NQF 3
4.	Health & Safety Training	1	NQF 2
5.	Metval	1	NQF 5
6.	Project Management	1	NQF 5
7.	SAMRAS	1	NQF 4
8.	Supervisory Management	6	NQF 6

Clerks

No.	Skills Development Training	No.	Level Of Education Attained
1.	Asset Management Course	10	NQF 6
2.	Computer Training	7	NQF 3
3.	Disciplinary Enquiries	10	NQF 3
4.	Health & Safety Representative	9	NQF 2
5.	Metval	1	NQF 5
6.	Project Management	2	NQF 4
7.	SAMRAS HR	4	NQF 4
8.	Supervisory Management	10	NQF 6
9.	Supervisory Management	8	NQF 4
10.	Supply Chain Management	3	NQF 4

Technicians & Associate Professionals

1.	Apstar	1	NQF 5
2	Asset Management Course	5	NQF 6
3	Computer Training	5	NQF 3
4	Disciplinary Enquiries	5	NQF 3
5	Electrical Trade Test Phase 2+3	5	NQF 3
6	Health & Safety Representative	1	NQF 2
7	Metval	2	NQF 5
8	Project Management	3	NQF 4
9	SAMRAS HR	3	NQF 4
10	Supervisory Management	12	NQF 6

Service & Sales Workers

No.	Skills Development Training	No.	Level Of Education Attained
1.	Asset Management Course	2	NQF 6
2.	Disciplinary Enquiries	3	NQF 3
3.	Health & Safety Representative	9	NQF 2
4	Statistical Capacity Building	1	NQF 3
5	Supervisory Management	4	NQF 6
6		4	NQF 4

Craft and Related Trade Workers

No.	Skills Development Training	No.	Level Of Education Attained
1.	Asset Management Course	1	NQF 6
2.	Disciplinary Enquiries	2	NQF 3
3.	Health & Safety Representative	4	NQF 2
4	Project Management	2	NQF 3

Plant and Machine Operators

No.	Skills Development Training	No.	Level Of Education Attained
1.	Asset Management Course	1	NQF 6
2.	Disciplinary Enquiries	3	NQF 3
3.	Health & Safety Representative	3	NQF 2
4	Project Management	2	NQF 3

Elementary Occupations

No.	Skills Development Training	No.	Level Of Education Attained
1	Disciplinary Enquiries	1	NQF 3
2	Health & Safety Representative	4	NQF 2

Bursaries Allocated: Internal (2008/2009)

Total Students	Field of Study	Progress	Amount Paid
2	Project Management	Satisfactory	R 11,800.00
3	Business Management	Satisfactory	R 16,200.00
5	Supply Chain Management	Satisfactory	R 27,610.00
3	Public Management	Satisfactory	R 11,705.00
1	Bachelor Of Administration	Satisfactory	R 9,375.00
1	Managing Employment Process	Satisfactory	R 990.00
1	Bachelor Of Public Administration	Satisfactory	R 7,250.00
2	Civil Engineering	Satisfactory	R 9,611.00
1	Real Estate	Satisfactory	R 1,035.00
1	Bachelor of Law	Satisfactory	R 2,240.00
2	Bachelor of Commerce	Satisfactory	R 6,565.00
1	Certificate in Accounting	Satisfactory	R 4,660.00
1	Code 14 Drivers' License	Satisfactory	R 2,900.00
1	Business Communication	Satisfactory	R 3,200.00
1	Basic Computer Skills	Satisfactory	R 1,250.00
1	Human Resource Management	Satisfactory	R 4,315.00
2	Masters in Business Admin	Satisfactory	R 78,000.00
1	Bachelor of Information Science	Satisfactory	R 1,750.00
4	Nursing Administration	Satisfactory	R 31,536.00
1	Library Information	Satisfactory	R 5,250.00
1	Education and Training	Satisfactory	R 8,250.00

PENSION AND MEDICAL AID FUNDS

Pension Fund

The composition of membership per pension and provident fund was as follows: -

Pension Fund	Number of Members
Councillors Pension Fund	28
Sala Pension Fund	16
Natal Joint Municipal Pension Fund	520
National Treasury Pension Fund (GEPF)	28
Total	592

Medical Aid Funds

Membership to the medical aid funds was as follows: -

Medical Aid Fund	Number of Members
LA Health/Discovery	9
Bonitas	48
KeyHealth	96
Hosmed	0
Samwumed	66
Total	219

DISCLOSURE: POLITICAL OFFICE BEARERS AND SENIOR OFFICIALS

The remuneration of political office bearers is as follows: -

Designation	Salary	Travel	Pension Fund	Medical Aid	Cell	Total
	R	R	R	R	R	R
Mayor	457175.04	64119.96	-	17280	15984	554559
Deputy Mayor & Speaker	666486.96	77979.96	99,972.96	17280	31968	893,687.88
08 Exco Cllr	1261825.82	282988.23	162766.54	34560	78273.58	1820414.17
39 Cllr	4994756.1	828667.17	382484.68	33276	385151.02	6624335.69
TOTAL	7380243.92	1253755.32	645224.18	102396	511376.6	9892996.74

The remuneration of senior officials is as follows: -

Designation	Salary Overtime	Bonus	Travel	Housing	Pension Fund	Medical Aid	Other	Total Cost
	R	R	R	R	R	R	R	R
Municipal Manager	664704.68	89656.63	102204					836565.31
Chief Financial Officer	267037.56	22253.13	76266.24		48068.04	24786	159194.59	597605.56
Manager Corporate Services	267037.56	22253.13	138611.18	8754	66803.88	22348.80	64080.62	589889.17
Manager Finance	-							
Public Safety	267037.56	22253.13	139856.88		66847.08	22348.80	54946.13	573289.59
Executive Manager Governance and Transformation	573950.23	53736.51	60000.00					687686.74
Executive Manager Dev. & Planning	469893.48	53736.51	164056.80					687686.79

Designation	Salary Overtime	Bonus	Travel	Hous- ing	Pension Fund	Medical Aid	Other	Total Cost
Executive Manager Electrical Engineering	505852.71	70243.79	120000.00					696096.50
Manager Engineering	267037.56	22253.13	142467.24	8754	66760.68		59882.96	567155.57
TOTAL	3262551.34	356385.96	943462.34	17508	248479.68	69483.6	338104.3	5235975.22

STAFF ESTABLISHMENT AT SENIOR MANAGEMENT LEVEL

RACE	GENDER	REPORTING DIRECTLY TO THE MUNICIPAL MANAGER
AFRICAN	MALES	2
AFRICAN	FEMALES	0
WHITES	MALES	3
WHITES	FEMALES	0
INDIANS	MALES	2
INDIAN	FEMALES	1

CHAPTER 04

REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND COUNCIL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF EMNAMBITHI/LADYSMITH MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Emnambithi/Ladysmith Municipality which comprise the statement of financial position as at 30 June 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 01 to 46.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made

by management, as well as evaluating the overall presentation of the financial statements.

6. Paragraph 11 *et seq.* of the Standard of GRAP, GRAP 1 *Presentation of Financial Statements* requires that financial reporting by entities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. As the budget reporting standard is not effective for this financial year, I have determined that my audit of any disclosures made by the Emnambithi/Ladysmith Municipality in this respect will be limited to reporting on non-compliance with this disclosure requirement.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for qualified opinion

Property, plant and equipment

8. As described in note 8 to the annual financial statements, property plant and equipment is disclosed at R744 190 624. The municipality applied the Standard of GRAP (GRAP 17), Property, plant and equipment prospectively as at 30 June 2009 which is contrary to the requirements of Standards of GRAP which states that with the initial adoption of a standard, a retrospective application is required. The accounting officer believes that it was not possible to obtain a reliable measure of the deemed cost value of assets due to the historical lack of detail of infrastructure asset information.

The consequent adjustment to property, plant and equipment, depreciation, accumulated surpluses and accumulated depreciation as well as the resultant impact on the cash flow statement has not been determined. I disagree with the accounting officer that the retrospective application of GRAP 17 could not be applied.

Investment property

9. The municipality must recognise and measure investment property at cost or fair value in accordance with GRAP 16: Investment Property. Included in the fixed asset register is vacant land of R31 294 000. As the purpose or use of the land is undetermined it should have, in accordance with GRAP 16: Investment Property, been recognised as investment property. As a result, investment property and depreciation or fair value reserve are understated by unquantifiable amounts and property, plant and equipment is overstated by R31 294 000.

Accounts receivable

10. As described in note 12 to the financial statements, accounts receivable is disclosed at R20,2 million. Included in accounts receivable is an impairment of R83 269 194. I could not confirm the accuracy of the impairment to accounts receivable due to the absence of a system to properly classify debtors according to their credit risk characteristics. Moreover, no supporting information was available to permit the application of alternate procedures. Consequently, the valuation of the accounts receivable of R20,2 million in the annual financial statements could not be confirmed.

Qualified opinion

11. In my opinion, except for the effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Emnambithi/Ladysmith Municipality as at 30 June 2009 and its financial performance and cash flows for the year then ended, in accordance with the Standards of GRAP and in the manner required by the MFMA.

Emphasis of matter

I draw attention to the following matters on which I do not express a qualified opinion:

Restatement of corresponding figures

12. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2008 have been restated as a result of a change in accounting policy and errors discovered during 2008/2009 in the financial statements of the municipality at, and for the year ended, 30 June 2008.

Material losses

13. As disclosed in note 22 to the financial statements, electricity distribution losses totalling 34 million Kwh with a value of R16 082 444 was incurred during the year.

Other matters

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Unaudited supplementary schedules

14. The municipality provided supplementary information in Annexures E1 and E2 to the financial statements on whether resources were obtained and used in accordance with the legally adopted budget, in accordance with GRAP 1: *Presentation of Financial Statements*. The supplementary budget information and other supplementary information set out on pages 44 to 46 does not form part of the financial statements and is presented as additional information. I have not audited these schedules accordingly, I do not express an opinion thereon.

Governance framework

15. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the internal control deficiencies and key governance responsibilities addressed below:

Internal control deficiencies

16. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the deficiencies in the system of internal control, which led to the qualified opinion. The root causes are categorised according to the five components of an effective system of internal control. (The number listed per component can be followed with the legend below the table.)

Par. no.	Basis for qualified opinion	CE	RA	CA	IC	M
8	Property, plant and equipment			6		1
9	Investment Property			6		1
10	Accounts receivable			3		1

17. Management did not ensure ongoing monitoring and supervision of the valuation of property, plant and equipment resulting in the incorrect application of GRAP 16 and 17. In addition, the absence of an adequate process for classifying debtors resulted in accounts receivable being misstated.

Legend	
CE = Control environment	
The organisational structure does not address areas of responsibility and lines of reporting to support effective control over financial reporting.	1
Management and staff are not assigned appropriate levels of authority and responsibility to facilitate control over financial reporting.	2
Human resource policies do not facilitate effective recruitment and training, disciplining and supervision of personnel.	3
Integrity and ethical values have not been developed and are not understood to set the standard for financial reporting.	4
The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control.	5
Management's philosophy and operating style do not promote effective control over financial reporting.	6
The entity does not have individuals competent in financial reporting and related matters.	7
RA = Risk assessment	
Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting.	1
The entity does not identify risks to the achievement of financial reporting objectives.	2
The entity does not analyse the likelihood and impact of the risks identified.	3
The entity does not determine a risk strategy/action plan to manage identified risks.	4
The potential for material misstatement due to fraud is not considered.	5
CA = Control activities	
There is inadequate segregation of duties to prevent fraudulent data and asset misappropriation.	1
General information technology controls have not been designed to maintain the integrity of the information system and the security of the data.	2
Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised, and are completely and accurately processed.	3
Actions are not taken to address risks to the achievement of financial reporting objectives.	4
Control activities are not selected and developed to mitigate risks over financial reporting.	5
Policies and procedures related to financial reporting are not established and communicated.	6
Realistic targets are not set for financial performance measures, which are in turn not linked to an effective reward system.	7
IC = Information and communication	
Pertinent information is not identified and captured in a form and time frame to support financial reporting.	1
Information required to implement internal control is not available to personnel to enable internal control responsibilities.	2
Communications do not enable and support the understanding and execution of internal	3

control processes and responsibilities by personnel.	
M = Monitoring	
Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting.	1
Neither reviews by internal audit or the audit committee nor self -assessments are evident.	2
Internal control deficiencies are not identified and communicated in a timely manner to allow for corrective action to be taken.	3

Key governance responsibilities

18. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	<input type="checkbox"/>	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		<input type="checkbox"/>
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	<input type="checkbox"/>	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines [section 126 of the MFMA].	<input type="checkbox"/>	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	<input type="checkbox"/>	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	• The municipality had an audit committee in operation throughout the financial year.	<input type="checkbox"/>	
	• The audit committee operates in accordance with approved, written terms of reference.	<input type="checkbox"/>	
	• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA.	<input type="checkbox"/>	
7.	Internal audit		
	• The municipality had an internal audit function in operation throughout the financial year.	<input type="checkbox"/>	
	• The internal audit function operates in terms of an approved internal audit plan.	<input type="checkbox"/>	
	• The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA.	<input type="checkbox"/>	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	<input type="checkbox"/>	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	<input type="checkbox"/>	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	<input type="checkbox"/>	

No.	Matter	Y	N
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in section 62(1)(c)(i) of the MFMA.	<input type="checkbox"/>	<input type="checkbox"/>
12.	Delegations of responsibility are in place, as set out in section 79 of the MFMA.	<input type="checkbox"/>	<input type="checkbox"/>
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	<input type="checkbox"/>	<input type="checkbox"/>
14.	SCOPA/Oversight resolutions have been substantially implemented.	<input type="checkbox"/>	<input type="checkbox"/>
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	<input type="checkbox"/>	<input type="checkbox"/>
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	<input type="checkbox"/>	<input type="checkbox"/>
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Emnambithi/Ladysmith Municipality against its mandate, predetermined objectives, outputs, indicators and targets [section 68 of the MFMA].	<input type="checkbox"/>	<input type="checkbox"/>
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	<input type="checkbox"/>	<input type="checkbox"/>

19. A lack of proper monitoring by management resulted in material adjustments having to be processed to the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

20. I have reviewed the performance information as set out on Chapter 06.

The accounting officer's responsibility for the performance information

21. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality, prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

The Auditor-General's responsibility

22. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008* and section 45 of the MSA.

23. In terms of the foregoing my engagement included performing procedures of a review nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

24. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the findings reported below.

Findings on performance information

Non-compliance with regulatory requirements

Internal auditing of performance measurements

25. The internal audit processes and procedures in terms of section 45(a) of the MSA did not include assessments of the functionality of the Emnambithi/Ladysmith Municipality's performance management system and whether the system complied with the requirements of section 41(1)(c) of the MSA for the year under review.

Reported performance information not reliable

Source information not accurate and complete

26. The source information or evidence provided to support the reported performance information with regard to the construction of surfaced and gravel roads did not adequately support the accuracy and completeness of the facts.

APPRECIATION

27. The assistance rendered by the staff of the Emnambithi/Ladysmith Municipality during the audit is sincerely appreciated.

Auditor-General

Pietermaritzburg

30 November 2009



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

CHAPTER 5

FUNCTIONAL AREA SERVICE DELIVERY REPORTING

GENERAL INFORMATION 2001 STATISTICS

<u>General Information</u>	<u>Total</u>
Geography	
Geographical Area	2 965 km ²
Demography	
High above sea level	1 140m
Population per gender:	
Male	104 988
Female	120 470
Number of Households:	
Urban	33 435
Village	17 094
Indigent Population	3 639
Total number of voters	97418
Age Breakdown of population:	
65 years and over	9 227
Between 28 and 64 years	70 880
18 years and younger	103 795
Household income per month:	
Owner R800	2 393
Between R801 and R1 600	687
Between R1 601 and R3 200	560
Less than R1 601	3 080

EXECUTIVE AND COUNCIL

Overview

The Council and Executive Committee gives effect to Section 156 of the Constitution, which provides for the powers and functions of the Municipality. A key role is to link the community, other spheres of government and staff in a common and co-ordinated direction that achieves the outcomes of the Integrated Development Plan. The Speaker ensures appropriate community participation and liaison on a daily basis.

COUNCIL

A comprehensive lists of councillors.

SEQ	NAME	RESIDENTIAL ADDRESS	TEL WORK/CELL	PARTY
1	Biyela Bonisiwe Beauty	C1218 Ezakheni	082 497 8733	IFP
2	Buthelezi Mandla Justice	Madilika CP School, Driefontein	082 887 4706 083 722 7634 036-631 9253	IFP
3	Cebekhulu Bongani S E	10971 Majola St Shayamoya	082 497 8718 036-6364861	ANC
4	Chetty Loganathan	40 Cove Crescent Laydsmith	033-355 3100 083 289 4492	ANC
5	Dladla Fikile Winniefrida	E1838 Makani St Ezakheni	082 887 4702	ANC
6	Dlaedwa Zwelibalele Jantjie	20 Umsululu St Mkhamba Gardens	082 497 8741 036-631 3428	IFP
7	Dube Sebenzile Clementine	House no 333 next to Madevu Store Driefontein	082 809 4017 036-6317429	ANC
8	Fakude Adrian Sibusiso	5 Parklane Hydeprk, Ladysmith	082 801 2339 036-6372111	ANC
9	Gumbi Theresa Nonhlanhla	Driefontein - ask at Tribal Court	082 496 6097	IFP
10	Hadebe Amos Mdumseni	E1040 Ezakheni	082 800 2388 036-6341361	ANC
11	Hurter Pieter Johannes	13 Voortrekker Street, Ladysmith	083 655 4317	DA
12	Jubber Brian Desmond (Pastor)	4 Aloe Road Ladysmith	631 1391 083 635 3438	ACDP
13	Kalladin G	50 Saffa Str. Ladysmith	073 566 6513	DA
14	Khan Fazleh Ahmed Dr		637 8656 082 497 8720	ANC
15	Khan Soojat Hoosen	6 Khwaja St Ladysmith	082 497 8731	ANC
16	Khumalo Benneth Bongani	E1742 Ezakheni	082 809 4580	ANC
17	Khuzwayo	C2 3373 Khumalo	083 770 9033	ANC

SEQ	NAME	RESIDENTIAL ADDRESS	TEL WORK/CELL	PARTY
18	Nkosiwana G Madlala Mayibhoyi Vincent	Street, Ezakheni E2238 Hlokoohloko Street Ezakheni 3381	036-6347600 082 880 7003 079 5233 119	ANC
19	Madonsela Irene Virgenia Busisiwe	B3824 Ezakheni	082 497 6357	ANC
20	Madonsela Busisiwe Rose	E804 Mhlekwana Street, Ezakheni	073 140 4394 082 499 8627	IFP
21	Magasela Josia Mkhipheni	501 Blue Bank Ladysmith	082 497 8729	ANC
22	Mahlaba Octavia Smangele	130 O R Tambo Colenso	082 497 8730 073 651 9862	IFP
23	Makaula Nobuhle Gladys	2636 Steadville (770) Phase 2	083 625 2513	ANC
24	Mazibuko Duduzile Cynthia Patience	C568 Ezakheni, Ladysmith	636 1912 082 822 2156	ANC
25	Mlotshwa Mosley Ntombizonke	31 Aquarius Street Limit Hill Ladysmith	082 497 8724	ANC
26	Mlotshwa Malandela Lincoln	Kwa-Mthandi, Ladysmith	083 3686 208	ANC
27	Mokoena Goodwill Labane Sanele	944 Mathew Goniwe St / White City / Steadville	082 497 8734	ANC
28	Moloi Nozamani Philemon	C ³ 3068 Ezakheni	082 497 8726	ANC
29	Msomi Thamsanqa	A403 Mpunzi St Ezakheni OR next to Ratanang shop or Social Welfare	082 497 8719	ANC
30	Mtshali Mazwakhe	408 Mandi St Colenso	082 804 2984	IFP
31	Muller Tanya Tracey	5 President Street Ladysmith	082 497 8737 036-6376801	ANC
32	Ndlovu Themba Ephraim	12 Metford Road Modelkloof	082 881 6318 036-6372096	NADECO
33	Ngwenya Angel Pinkie	Blue Bank Farm Ladysmith	082 497 8739	IFP
34	Niemand Rienus	29A Convent Rd Ladysmith	082 497 8743 638 9779	ANC
35	Nkosi Gabriel Sipho	60 Residency Rd Ladysmith	082 801 7453 631 7123	IFP
36	Nkosi Sikhumbuzo Welcome		082 943 1840 034-2612247	IFP
37	Nxumalo Sphiwe Petros	D 1029 Ezakheni 3381	082 497 8738	ANC
38	Porriall Patricia Ann	28 Francis Road Ladysmith	637 2828 083 635 3481	DA

SEQ	NAME	RESIDENTIAL ADDRESS	TEL WORK/CELL	PARTY
39	Ramdaas Bachu Vimmi	76 Tanjore Road Ladysmith	082 880 7427	MF
40	Rassool Zehra Banu	12 Forbes Street Ladysmith	082 804 2369 036-6312965	ANC
41	Shabalala Senzeni Victoria	Matiwanoskop, Engingeni, Elandslaagte	082 497 8722	IFP
42	Sibaya Vincent Bongumusa	Burford Area/Masengemu St / Burford	083 635 3663	ANC
43	Sigasa Nkosana Petros	Peacetown Area	082 809 4032	ANC
44	Sokhela Sibisiso Dennis	Kleinfontein, Gudwini, Ladysmith	083 948 3079	ANC
45	Suddaby Michael Rodney		082 497 8742	IFP
46	Thusi Sphamandla Henry	157 Thembalihle Steadville	082 333 1778 036-6384000	ANC
47	Warasally Abbas Sheik Dawood	29 Khwaja Street, Ladysmith	071 3832 622	IFP
48	Wood John Melville Hellier	24B Buller Road Ladysmith	631 0526 083 635 3479	ANC
49	Zwane Mxolisi Lucky	Next to Gcizela Primary School	082 497 8744 036-6372251	ANC
50	Zwane Sipho Nicholars	Matiwanoskop Elandslaagte	082 809 3512	IFP

LIST OF EXCO MEMBERS

NAME	RESIDENTIAL ADDRESS	TEL WORK/CELL	WARD
Mazibuko Duduzile Cynthia Patience	C568 Ezakheni	636 1912 082 822 2156	ANC
Madlala Mayibhoyi Vincent	E2238 HlokoHloko Street Ezakheni 3381	082 880 7003 079 5233 119	ANC
Madonsela Irene Virgenia Busisiwe	B3824 Ezakheni	082 497 6357	ANC
Wood John Melville Hellier	24B Buller Road Ladysmith	631 0526 083 635 3479	ANC
Moloi Nozamani Philemon	C ³ 3068 Ezakheni	082 497 8726	ANC
Sigasa Nkosana Petros	Peacetown Area	082 809 4032	ANC
Buthelezi Mandla Justice	Madilika CP School, Driefontein	082 887 4706 083 722 7634 036-631 9253	IFP
Suddaby Michael Rodney		082 497 8742	IFP
Hurter Pieter Johannes	13 Voortrekker Street, Ladysmith	083 655 4317	DA

Description of the Activity

The functions exercised by the Executive Committee and Council of the municipality, and the services provided extend to all residents in the municipal area take into account the division of powers and functions between the district and local municipality.

The municipality is administered through a committee system that includes the Executive, Portfolio, Ward and other necessary committees such as the MFMA Steering Committee.

The local municipality has a mandate as listed in part B of Schedule 4 and part B of Schedule 5 of the Constitution exclusive of the district municipality functions listed in Section 84 of the Structures Act.

Strategic objectives of this function and key issues for 2009-2009:

- To ensure that all households in Emnambithi/Ladysmith have access to basic services at specified standards
- To avoid the deterioration of the existing infrastructure network through a comprehensive maintenance and upgrading programme
- Improve accessibility in rural areas and improve road linkages between urban and rural components
- To stimulate local economic development with specific emphasis on tourism, agriculture, manufacturing and small scale industries
- To reduce poverty to a significant and measurable extent
- To ensure that there is an agreed approach and programme with key stakeholders who are needed to implement the IDP
- To integrate environmental management principles into all municipal activities
- To contribute to a reduction in the affects of AIDS pandemic
- To facilitate improvement of primary, secondary and tertiary education facilities and to improve access to skills development programme
- To ensure that internal decision-making processes are efficient and effective
- To compile a valuation roll for properties
- To ensure that revenue is optimally collected and sustainably managed
- To ensure that citizens are satisfied with the quality of service provision from the municipality and other service providers
- To ensure that the municipality has sufficient institutional capacity to meet the challenges associated with its transformation into a developmental municipal
- To move towards representivity in line with the employment equity plan

- To improve internal communication and to ensure that citizens are informed and given the opportunity to participate in Council processes

ANALYSIS OF THE COUNCIL STRUCTURES AND COMMITTEE FUNCTION

DETAIL	TOTAL
1. Councillor Detail	
Total number of Councillors	50
Number of Councillors on Executive Committee	10
2. Ward Detail	
Total number of wards	25
Number of ward meetings	
3. NUMBER AND TYPE OF COUNCIL AND COMMITTEE MEETINGS	
Ordinary Council meetings	12
Ordinary Executive Committee meetings	24
Special Executive Committee meetings	4
Management Committee meetings	52
Museum Advisory Committee	-
Audit Committee	4
Local Labour Forum	6
Community Tourism Organisation	5
Local Economic Development Forum	-
Integrated Development Plan Forum	-
Performance Audit Committee	04
Municipal Finance Management Act Steering Committee	-

DEPARTMENT: FINANCE

COUNCIL PERSONNEL EXPENDITURE

	2006/2007	2007/2008	2008/2009
	R	R	
Salaries & Allowance	54 670 286	59 807 157	64 799 072
Overtime and Standby	4 220 316	3 956 215	6 645 434
Job Creation	3 748 904	5 355 335	6 887 340
Pension	8 625 822	9 536 714	9 936 179
Medical Aid	3 824 400	4 138 407	3 268 013
U.I.F.	551 083	591 412	645 678
Group Life	83 881	83 298	68 596
Councillors Allowances	8 191 754	9 005 163	9 892 996
Less: Charged Out	(11 031 482)	(10 013 385)	(12 050 372)
TOTAL	72 884 964	82 460 316	90 092 936

Monthly Billings Per Service

Service: Rates	Month	Amount Billed R	Amount Received R
	July 2008	7 143 767.03	-1 147 970.87
	August 2008	7 132 189.62	-4 377 047.85
	September 2008	1 532 719.10	-4 786 068.17
	October 2008	6 515 290.91	-5 935 775.78
	November 2008	6 629 021.07	-5 229 249.50
	December 2008	6 491 637.23	-6 209 114.55
	January 2009	6 577 247.66	-5 815 185.31
	February 2009	6 569 216.56	-5 493 652.03
	March 2009	5 908 080.17	-5 777 877.59
	April 2009	5 040 243.96	-5 900 888.31
	May 2009	6 724 774.25	-4 759 287.32
	June 2009	139 801.61	-5 196 412.64

Service: Electricity	Month	Amount Billed R	Amount Received R
	July 2008	9 589 659.02	-8 410 738.93
	August 2008	11 800 446.29	-8 294 778.76
	September 2008	13 004 018.91	-12 033 013.94
	October 2008	3 545 506.35	-8 933 824.74
	November 2008	8 497 214.99	-8 065 514.02
	December 2008	7 806 882.37	-8 122 226.93
	January 2009	8 048 584.26	-8 798 908.61
	February 2009	7 047 482.75	-7 819 386.16
	March 2009	7 906 184.24	-7 684 815.95
	April 2009	7 434 289.21	-6 741 547.87
	May 2009	8 261 195.13	-6 052 708.54
	June 2009	10 302 297.20	-8 282 483.65

Service: Refuse	Month	Amount Billed R	Amount Received R
	July 2008	1 160 789.75	-435 981.23
	August 2008	1 139 735.21	-430 649.46
	September 2008	-353 255.45	-492 626.25
	October 2008	938 420.85	-532 821.18
	November 2008	871 174.30	-482 841.97
	December 2008	836 608.50	-504 855.77
	January 2009	869 079.35	-526 526.87
	February 2009	822 229.81	-475 907.43
	March 2009	696 097.15	-489 923.32
	April 2009	759 242.08	-447 445.62
	May 2009	791 937.56	-418 062.84
	June 2009	787 131.74	-465 495.26

Debtor Collections

Amount Billed	Amount Received
R 178 966 949.74	R 165 571 615.22

Debtors Aged analysis

Service	Current R	30 R	60 R	90 R	+120 R
Rates	56 141	2 551 930	1 989 075	1 083 824	60 188 315
Electricity	7 503 149	1 871 016	2 22 759	208 907	12 662 387
Refuse	716 241	330 052	277 357	251 877	11 736 790
Sundry	2 056 741	431 301	172 753	145 930	13 513 628

Write Off of Bad Debts / Indigence for 2008/2009

Service	Amount R
Rates	10 485 945
Electricity	6 680 733
Refuse	7 440 329
Sundry	6 902 095
Total	31 509 102

Property Rates

Rates collectible for the 2008/2009 Year	R80 538 801
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Indigent Policy

Quantity (number of households affected)	7764
Quantum (total value across municipality)	R16 210 852

Creditors Payments

Month	Amount R
July 2008	16 487 783
August 2008	22 010 047
September 2008	21 334 644
October 2008	16 635 577
November 2008	20 622 131
December 2008	25 003 427
January 2009	14 617 435
February 2009	13 241 889
March 2009	15 464 350
April 2009	19 899 686
May 2009	15 254 562
June 2009	8 948 019

External Loans

Details	Interest Rate	Date Redeemable	Balance as at June 2008 R
FNB	9.10%	02/2016	12 287 514
ABSA	9.10%	02/2026	5 922 934
Receiver of revenue	-	-	1 428
TOTALEXTERNAL LOANS			18 211 876

KEY FINANCIAL PERFORMANCE INDICATORS

Key performance area	Key Performance indicator	Current	Target
To ensure that the final accounts are completed timeously and that a clean audit report is obtained.	Final accounts prepared within legislated timeframe An unqualified audit report is received	Within 2 months Unqualified Report	Within 2 months Unqualified report
Ensure compliance with the Municipal Finance Management Act and the Procurement Policy	Implementation of MFMA Implementation Plan Develop a MFMA compliant Supply Chain Management Policy	90% Achieved	90% Achieved
Credit Control	Reduce outstanding arrears by a determined %	-	5%
Accuracy of the Management Information, debtors and Budget	The debtors receive accounts timeously and queries are cleared accordingly. The help-desk is operational to assist consumers with queries.	NONE	5 days of month end Help desk 100%
Asset Management and Investments	Required assets are recorded in Financial Required Systems. The Municipality has sufficient Investments to avoid short-term borrowing	95% R 10 million In Call Account	95% R10 million

**ASSESSMENT OF TAX AND TARIFF ARREARS BY THE ACCOUNTING OFFICE MFMA
SECTION 121(3)(e)**

No.	Accounts Group	Count	Current	Arrears	Total	% Of Total Arrears
1	APPLICATION INDIGENCY	7764	492 288.47	294 753.88	787 042.35	37%
2	AUTOMATIC INDIGENCY	0	0	0	0	0%
3	BULK ACCOUNTS	76	5 583 995.39	2 228 177.81	7 812 173	28%
4	DEPARTMENT OF PUBLIC WORKS	657	170 944.05	2 283 047.02	2 453 991.07	93%
5	DEPARTMENTAL ACCOUNTS	108	132 872.03	22 939.74	155 811.77	14%
6	EXCEPTION LIST	1	0	-31.50	-31.50	
7	EXTERNAL HANDED OVER ACCOUNTS	1	0	-0.03	-0.03	
8	FINAL ACCOUNTS	7610	20 081.14	11 711 449.54	11 731 530.68	99%
9	HOUSING & LOAN ACCOUNTS	484	22 223.25	274 665.88	296 889.13	92%
10	IN-HOUSE HANDED OVER ACCOUNTS	15 100	37 390.63	62 389 582.12	62 426 972.75	99%
11	NORMAL ACCOUNTS - COLENZO	1073	177 538.24	512 772.47	690 310.71	98%
12	NORMAL ACCOUNTS - EZAKHENI	9 431	225 955.73	13 869 887.93	14 095 853.66	98%
13	NORMAL ACCOUNTS- STEADVILLE	4 467	447 543.26	4 249 083.58	4 696 626.84	90%
14	NORMAL ACCOUNTS- TOWN	11 862	4 425 016.94	2 342 586.04	6 767 602.98	34%

No.	Accounts Group	Count	Current	Arrears	Total	% Of Total Arrears
15	SPOORNET & TRANSNET	171	12 537.42	45 263.54	57 800.96	78%
16	STAFF ACCOUNTS	194	65 411.01	-520.42	64 890.59	0%
17	SUNDRY DEBTORS	497	473 373.52	1 024 373.37	1 497 746.89	68%
18	UTHUKELA ACCOUNTS	27	1 481 717.55	-13 000.71	1 468 716.84	0%
19	VACANT LAND	2 884	184 262.57	10 788 282.69	10 972 545.26	98%
	TOTAL	62 407	13 953 161.20	112 023 312.95	125 976 474.15	88%

CONSUMER DEBTORS PER CATEGORIES

'000	Actual 2006/2007	Actual 2007/2008	Actual 2008/2009
Residential/Domestic	13 620 397	17 179 561	2 625 394
Business	1 337 417	6 762 288	10 836 437
Government	274 585	1 602 427	2 453 991
Other	75 270 151	87 441 774	86 370 760

DEPARTMENT: ECONOMIC DEVELOPMENT

Analysis of the Function:

Number and cost to the employer of all economic development personnel:

Professional (Managerial/Specialist)	1 x EMED
Office (Clerical/Administrative)	1 x AMED
Non-professional (outside workforce)	2 x Econ Dev Practitioners
Temporary staff	1 x Secretary
Contract staff	1 x In-Service Student

Type and number of grants and subsidies received:

Grant (Funding Agent)	Purpose	Amount
Local Government and Traditional Affairs	Implementation of Pecan Nut Project	1 000 000
Local Government and Traditional Affairs	Development of Bambanani Community Garden	126 000
Local Government and Traditional Affairs	Extension of Aloe and Berg Tea Project	500 000
Gijima (EU Funding)	Implementation of the Aloe and Berg Tea Project	836 000
Department Economic Development	Implementation of the Aloe and Berg Tea Project	315 000
Department Land Affairs	The Department of land Affairs bought Matthews Farm from the Ladysmith Farmers Association and transferred it to the Municipality as an Agri training Centre and trading Centres for SMME's and Coops	1 450 000
DBSA	Funding to conduct a feasibility study and to conduct a Logistic Hub in Ladysmith	210 000
TOTAL		4 437 000

1. TOWN PLANNING AND DEVELOPMENT

Overview

This department deals with all aspects of community development and participation. It ensures that the public is aware of the Integrated Development Plan and Budget of the Municipality. Community based projects are organised with the assistance of the ward councillors. The planning of the Town is entrusted to this department. The Chief Town Planner handles approval for the construction of dwellings and buildings.

Description of the activity

The functions of Planning and Development within the municipality include:

1. Integrated Development Planning
2. Organisational Performance Management
3. Ward Committees/Public Participation
4. Sports Development
5. Free Basic Alternative Energy Management
6. Sectoral Plans
7. Local Economic Development
8. Community Development
9. Community Liaison
10. Town Planning
11. Geographic System Management
12. Land Use Management System

Strategic Objectives

To promote Social Development in the Emnambithi/Ladysmith area.

To stimulate Economic development and Planning and develop Institutional Development

Key issues for 2008/2009

Social Development

Sports and recreation
Land Tenure/Ownership
Community Centre

Economic development and Planning

Local Economic Development
Agriculture
Job Creation and Poverty alleviation
SMME development
Tourism development
Spatial development framework
Environmental and Land use Management

Spatial Development Plan

Integrated development plan
Establish GIS Section

Building and Zoning Plan 2008/ 09

Applications Outstanding 30 June 2009	Categories	Number of new applications received/approved	Building and Zoning Plans Fees received Rand
	Residential New (Building Plans)	92	Charges per M ²
	Residential additions	54 not approved	
	Rezoning	2	1.0HA=R170 1.0-5.0HA=R350 5HA
	Subdivisions	12	N/A
	Building line relaxations/Consent use	32	R508
	Consolidation	None	
	Special Consent	43	R520

2. WASTE MANAGEMENT – SOLID WASTE

Overview

Solid waste is a local municipal function. The landfill site is licensed under a permit from the Dept. of Water Affairs & Forestry. Refuse removal services are provided in all urban areas of Emnambithi/Ladysmith viz. Ladysmith, Ezakheni, Steadville, Colenso & Van Reenen. Currently no refuse removal services are provided in the incorporated rural areas.

Description of the Activity:

Refuse is cleared from the residential areas on a weekly basis whereby the householders take out their refuse (in bags only) on refuse removal days.

A bi-weekly refuse removal service is provided for all businesses and on request a daily service is provided to certain categories of businesses eg. food shops, hotels, factories.

Bulk/roll-on refuse containers are hired to businesses which generate bulk/large quantities of refuse.

In Ezakheni 5 (five) contractors have been deployed to remove both household and business refuse.

Strategic Objectives of this function:

The strategic objective of the refuse removal function is to provide an efficient, effective and economic service.

The key issue for 2008/2009 was the investigation into the provision of refuses services and recycling of waste.

Number of households receiving regular refuse removal services and the frequency and costs of the service:

Details	Number	Cost
Removed by Municipality at least once a week	35 000	R8 000 000
Communal refuse dump used	-	
Own refuse dump	1	R11 248 332
No rubbish disposal	18 189	R133 136.30

Total and projected tonnage of all refuse disposed:

Domestic/Commercial	15 468
Garden	11 192

Total Number, capacity and life expectancy of refuse disposal sites:

There is only one landfill site, the total current capacity being 1 062 150 with a life expectancy of \pm 7 years.

Free basic Service Provision

Quantity (number of household affected)	21 000
Quantum (value to each household)	R35 p/m

Key performance area	Key Performance indicator	Current	Target
To ensure that all households have access to a basic refuse removal service	No. of households receiving weekly refuse removal service	35 000	37 000

3. COMMUNITY PARKS AND GARDENING SERVICES

Overview

Located in the Department of Economic Development, this function consists of provision and maintenance of high quality service delivery to the global community of Emnambithi/Ladysmith in the areas of Sports facilities, Local amenities and Public spaces.

Description of the Activity:

The following services are provided:

Pound, Cemeteries, Swimming Pools, Weed killing and Tree felling, Sports fields, Caravan Park, Plant Decorations

Nature and extent of facilities provided:

Details	No. of facilities	No of users
Cemeteries and crematoriums	3	758
	1	
Sporting facilities	35	1 500 000
Parks	15	1 000 000
Swimming pools	3	7 700 000

DEPARTMENT: GOVERNANCE AND TRANSFORMATION

SECTION: ADMINISTRATION

The Department is made up of the following elements and sections:

- Administration
- Legal Services
- Housing, Land and Real Estate
- Valuation
- Community Services (Library Services, Museum Services and Community Venues)

SECTION: LEGAL SECTION

1. EZAKHENI

LEGAL ACTION	NO. OF A/C	TOTAL AMOUNT
No. of accounts handed over	14432	41,969,900.87
Final Demands Sent	2029	12,815,364.00
Summons issued	1074	9,650,120.55
Default Judgments	241	797,284.20
Warrant of Execution	447	1,853,871.94
Sale in Execution	562	3,465,548.46
No. of accounts settled	2378	11,950,295.50
Total Amount collected		1,703,091.87

2. TOWN/COLENSO

LEGAL ACTION	NO. OF A/C	TOTAL AMOUNT
No. of accounts handed over	6561	35,789,630.10
Final Demands Sent	1059	3,730,456.19
Summons issued	540	3,271,546.52
Default Judgments	338	2,640,076.01
Warrant of Execution	199	687,665.14
Sale in Execution	5	52,381.60
No. of accounts settled	Not available	
Total Amount collected		3,241,990.25

3. VACANT LAND

LEGAL ACTION	NO. OF A/C	TOTAL AMOUNT
No. of accounts handed over	2187	17,310,439.02
Final Demands Sent	1975	16,449,221.05
Summons issued	296	3,675,740.60
Default Judgments	159	2,170,662.80
Warrant of Execution	105	1,282,575.36
Sale in Execution	14	223,812.75
No. of accounts settled	Not available	
Total Amount collected		899,002.28

SECTION: VALUATIONS

Values of the respective categories of properties are as follows:

Residential 1	R4,346,518,000
Residential 2	R17,804,000
Industrial/Commercial/Business/Mining	R1,131,972,000
Agricultural	R 498.896,000
Public service infrastructure	R39.747,960
Vacant land	R167,767,845
Rural residential	R1,243,624,000
Game hunting/Eco-tourism	R119,755,000
Municipal domestic	R3,6605,000
State domestic	R457,889,000
Land reform beneficiaries	R26,285,000
Public benefit organizations	R70,707,000
Industrial estate	R133,310,000
Ingonyama Trust	R11,270,000
Municipal vacant land	R104,096,000
Public open space	R801,000
Total	R85,212,456,805

Subsequent to the compilation of the valuation roll property owners were duly informed of the market values and invited to lodge objections against valuations. A total of 551 objections were lodged which are to be attended to during July and August 2008.

SECTION: REAL ESTATE & HOUSING

A. PREAMBLE:

The Land and Housing Section is governed by the Executive Manager Mr RG Reddy. The primary function of this department is to ensure that the community has access to land and housing.

B. ADMINISTRATIVE REPORT

1. Land Disposal Policy

Section 14 of the MFMA required that a Land Disposal Policy be adopted by Council. This section was able to draft a policy which was approved by Council.

2. Housing Allocation Policy

The Section drafted a policy in terms of current legislation which was approved by Support Services Portfolio committee and Exco

3. Emergency Housing Policy

The section finalized a draft of Emergency Housing Policy, which was approved by the Support Services Portfolio Committee, Exco and Council.

4. Municipal Housing Sector Plan

The Department of Housing made available R100 000.00 for the development of a Municipal Housing Sector Plan. Messrs Footprints Professionals were appointed as the service provider. The first draft plan has since been submitted to council for comments thereafter the final report will be submitted to council for approval.

5. Consumer Education

The section in response to the Provincial Department of Housing Capacity Building Programme conducted Housing Consumer Education Programmes as follows:

1. Ezakheni C
2. Ezakheni E
3. Colenso
4. Steadville
5. Pieters
6. St. Chads
7. Umbulwane

Total No. of beneficiaries trained

6. Social Housing

The section conducted a workshop on Social Housing for all Councillors and is currently drafting a policy in terms of the requirements of SALGA who is assisting the Department of Housing in this project.

7. Affordable Housing

In terms of creative Housing Development, the section has engaged with the National Department of Housing and is embarking on making land available for affordable housing, whereby the 4 major Banking Institutions would be able to undertake housing for the income earners of R 3501.00- R 7 500.00 per month, in terms of the Credit Linked Subsidy mechanism.

C. COMMUNITY SERVICES

Nature and extent of facilities provided:

Details	No. of facilities
Library services	5
Museums	3
Community Halls	11

DEPARTMENT: ENGINEERING DEPARTMENT

1. ROADS AND STORM WATER DRAINAGE

Overview

The planning, construction and maintenance of roads and storm water within the municipality's jurisdiction.

Description of the Activity

The road maintenance and construction responsibilities of the municipality are administered as follows and include:

Construction of New Roads:

- Planning and prioritising of new roads as identified in the IDP.
- Preparing Business-Plans for external funding if funding not available from Council.
- Calling for fee proposals from Consultants and appointing of Consultants to Design and Implement/Supervise the construction of new roads. If roads cannot be constructed utilizing in-house staff.
- Utilizing in-house staff to construct gravel/paved roads rural and urban.

Maintenance of Roads (Urban and Rural):

- Urban road maintenance is carried out by in-house staff members that has been trained in the repairs of potholes, base failures and resurfacing, slurry sealing, re-gravelling, grading of roads, etc.
- Rural road maintenance is also carried out by specialist in-house staff.

Total Number, kilometres and total value of road projects planned and current:

Details	Km	Cost
New bituminised	15	R30 million
Existing re-tarred (New)	5.44	R12,5 million
New Grade	30	R3 million
Existing re – sheeted	10	R2,4 million

Total Kilometers and maintenance costs associated with existing roads provided:

Details	Km	Cost
Tar	170	R800,000.00 per km
Gravel	230	R300,000.00 per km

Estimated backlog in number of roads, showing kilometres and capital cost

Details	Km	Cost
Tar	300	R1,6 million per km
Gravel	500	R350,000.00

**PROJECTS UNGERTAKEN BY THE DEPARTMENT DURING THE PERIOD
UNDER REVIEW:**

NO.	NAME OF PROJECT	BUDGET
1	Gravel Road Rehabilitation	R 50,000.00
2	Construction of Lister Clearance Building	R 379,000.00
3	Construction of Testing Facility/Building	R 1,500,000.00
4	Upgrade of Alexandra Street/Bus Shelters	R 100,000.00
5	Fencing/Landfill	R 400,000.00
6	Construction of High Mast Lights	R2,000,000.00
7	Construction of Community Hall	R 1,700,000.00
8	Steadville Hall Construction	R 500,000.00
9	Taxi Rank/Watersmeet Phase 1	R 750,000.00
10	Taxi Rank/Blue Bank Phase 1	R 750,000.00
11	Taxi Rank/Steadville	R 1,800,000.00
12	Pedestrian/Vehicular Bridge linking Ndomda	R 400,000.00
13	Low Water Crossing	R 2,000,000.00
14	Pedestrian Bridge Umbulwane to Industrial	R 2,000,000.00
15	Landfill Site Phase 1	R 2,000,000.00
16	Levelling and Grading of Sportsfield	R 250,000.00
17	Ezakheni Sports Complex	R 1,432,000.00
18	Construction of Vehicular Bridge Baldaskraal to Lucitania	R 250,000.00
19	Construction of Vehicular Bridge Hopsland to Peacetown	R 250,000.00
20	Construction of Pedestrian Bridge Ezakheni to Esidakeni	R 260,000.00
21	Pedestrian Vehicular Bridge across Mbambabantu River	R 300,000.00
22	Rural Roads	R 2,000,000.00
23	Neighborhood Grant	R 200,000.00

DEPARTMENT: ELECTRICITY

Analysis of the function

Number and cost to the employer of all personnel associated with Electricity Distribution:

Professional (Managerial/Specialist)	08
Office (Clerical/Administrative)	09
Field (Supervisors/Foremen)	01
Non-professional (outside workforce)	40
Temporary staff	88
Contract staff	03
TOTAL	149

Total quantity and cost of bulk electricity purchases in kilowatt-hours and rand, by category of consumer

Details	Total	R
Residential	257,135,899	R 66,565,682.28
Commercial		
Industrial		
Other		

Total quantity and receipts for Bulk electricity sales in kilowatt-hours and rand, by category of consumer

Residential – Credit Conventional Meter	Approx 5700 customers uses 59 GWh's annually	
Prepaid – Indigent	Approx. 6000 customers uses 24 GWh's annually	
Prepaid - Domestic		
Prepaid Commercial		
Commercial	Approx 1150 customers uses 29GWh's annually	
Industrial (LT & HT Bulk)	85 customers uses 120GWh's annually	
Temporary Supply		
Other(Streetlights)		
Total		

Total year – to –date electricity losses in kilowatt-hours and rand

Losses	25,135,899kwh
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Number of Households with electricity access, type & cost of service:

Electrified Areas

Details	Total	Cost
Ntombi's Camp (2008/2009)	509	R 2 131 400
Steadville Area "C"	168	R 600 000

Anticipated expansion of electricity service

Details	Total	Cost
Steadville J	139	R 764 500
Steadville E	184	R1 012 000
Steadville H	500	R 2 750 000
Umbulwane A,B,C +Area	248	R 1 140 800
'D' and Community	50	R 230 000
Gardens (Infills) -	20	R100 000
Thembalihle	42	R 193 200

Free Basic Service Provision

Details	Quantity	Value
2500 households	50 kWh / per indigent household	R73 672.50

Type and Number of grants and subsidies received

Details	Value
DME (Department of Minerals and Energy)- MV Backbone Infrastructure – Umbulwane to Area H	R 1 370 000

13. Total operating cost of electricity distribution function	R19 127 883
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